

State Representative Scott D. Pelath

Helping Hoosier Families

113th Indiana General Assembly, Spring 2004

Session Report



Property
Tax Relief



Full-Day
Kindergarten



Job
Creation





113th General Assembly Ends

Dear Friends,

The 2004 short session of the Indiana General Assembly has ended. I have detailed several important pieces of legislation in this newsletter, including property tax relief, full-day kindergarten and increased access to affordable prescription drugs.

I hope you find this information useful, and I will keep you updated over the next few months on other legislation that should have a positive impact on you and your family. Please contact me if you have any questions or concerns about state government.

Sincerely,



Property Tax Relief

House members led an effort to begin the 2004 session in November.

Legislators began discussions on additional reforms that resulted in passage of Senate Enrolled Act 1, which restricted future property tax increases, made tax appeals easier and allowed tens of thousands of homeowners to file for tax relief. The measure also improved assessment methods for rental properties in Indiana.

Unfortunately, the House passed several other important relief provisions only to see them removed or derailed in the Senate.

I have detailed many of those measures in the box to the right. We voted to increase the homestead deduction, create a new farmstead deduction to help farmers and establish a new deduction for homes over 50 years old.

When lawmakers returned in January, our efforts resumed to give tax relief to the people who need it most. While we were able to pass some measures to help a number of taxpayers (see article below), continued resistance from the Senate left many more proposals dead, at least for this year's session.

I will continue to work hard for real and meaningful property tax relief during the interim months leading up to next year's long session.

Relief Denied

The House passed several important bills to address property tax relief, but the Indiana Senate either killed, removed or ignored many of them:

Passed in House

- Increase standard homestead deduction

- New deduction for older homes

- Farmstead property tax deduction

Senate Action

None

None

None

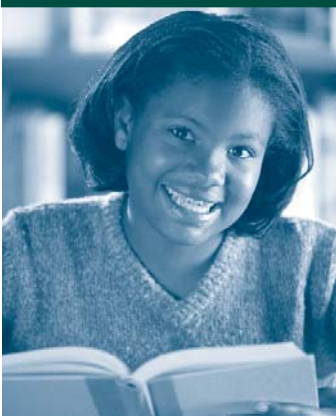
Pelath votes for property tax relief

Despite the opposition to many bills as outlined above, we did manage to pass several items that will help property taxpayers.

One measure will increase **property tax deductions for seniors on lower incomes, veterans, the blind and disabled**, as well as those who are rehabilitating homes. In addition, one study committee will explore alternatives to the property tax, while another will examine the efficiency of local government operations.

We **extended the deadline to file for the homestead credit** and other deductions, allowed additional time for tax appeals, permitted penalties to be waived for late payments and enacted safeguards against excessive future increases.

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Early Learning Initiative

Benefits of full-day kindergarten

I supported Gov. Joe Kernan's efforts to enact an Early Learning Initiative that would help provide voluntary full-day kindergarten for all children across the state. House Bill 1234 outlined a plan to provide access to voluntary full-day kindergarten to an additional 20,000 children by this fall and to every Hoosier child by 2007.

HB 1234 passed the House of Representatives on January 29 with bipartisan support. In February, the Senate amended the bill so it would only require a summer study of the issue.

Experts agree that early education is a sound, necessary investment in our future. As Gov. Kernan said when introducing this plan during his State of the State speech on January 13, "Every dollar that is invested in high-quality, comprehensive early learning initiatives helps us save \$7 in welfare, special education and criminal justice costs."

There are many benefits to the programming provided through the Early

Learning Initiative. We will be supporting parents as a child's first and most important teacher. We will increase parental and family involvement in teaching and encouraging reading. We will give all children access to high quality programs that will enable them to enter school ready and able to succeed for the future.

Few people dispute the benefits of full-day kindergarten and early learning. However, the Senate seems to be saying we can't afford to help Hoosier children now. Gov. Kernan identified a way to pay for full-day kindergarten by using money tied up in an obsolete school building fund.

I supported enacting full-day kindergarten now because each year of delay is another year when many Indiana children miss the opportunity to get a better education. I strongly disagree with Senate inaction on this matter and remain committed to working out ways to offer full-day kindergarten in the next legislative session.



Medication Savings

Hoosiers Gain Access to Affordable Prescription Drugs

Legislators also worked hard to protect Hoosiers from the rising costs of prescription drugs. Under a plan approved this session, more than 400,000 Hoosiers would gain access to affordable prescription drugs, with many more qualifying in years to come.

House Bill 1265 enables the state to set up an aggregate prescription drug purchasing program to negotiate the prices of prescription drugs from phar-

maceutical companies. **Indiana will also be able to enter into joint purchasing agreements with other states, gaining added bargaining power.**

People who sign up for the program will get a prescription drug card to receive the savings when they fill their prescriptions at their local drugstores. This program will simplify the lives of many and improve the conditions for people on fixed and limited incomes.

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Pelath authors changes to Indiana curfew law

I authored House Enrolled Act 1449, which will help protect Indiana's curfew law from continued lawsuits by the Indiana Civil Liberties Union

Earlier this year, our old curfew law was struck down by the U.S. 7th Circuit Court of Appeals. Fortunately, the legislature enacted changes recommended by the Court to make our law consistent with the First Amendment.

Indiana's curfew law makes it a violation for children under 18 years of age to be in public places between 11 p.m. and 5 a.m. on weeknights and 1 a.m. and 5 a.m. on weekends.

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Creating Hoosier Jobs

Protecting and creating Hoosier jobs and businesses were among the issues of most concern in the 2004 General Assembly.

House Resolution 47 calls on the president and Congress to address a growing trade imbalance that has resulted in the loss of more than 2 million manufacturing jobs in the U.S. since 2001. It asks that **trade agreements require that corporations pay fair and competitive wages**, respect the rights of workers to unionize, and adopt workplace safety and anti-pollution standards equal to those in our country. The resolution also encourages the federal government to **provide economic incentives to sectors that have seen record job losses** due to NAFTA.

**House Bill 1080
will focus on
Indiana
companies first
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goods and
services**

House Bill 1080 will help **stimulate Indiana's economy** by providing a price preference to Indiana businesses for public works and procurement contracts. It will focus on Indiana companies first as suppliers for goods and services the state is interested in purchasing.

House Bill 1434 **will benefit low-income businesses by fostering economic development opportunities** by providing grants for training and technical assistance. The microenterprise partnership program created under the bill will provide assistance to businesses with fewer than five employees.

House Bill 1365 will make the state's research and development tax credit permanent, extend the life of the Hoosier Business Investment Tax Credit and create a new fund to encourage investment in new technology. It also calls for a study of **eliminating corporate tax loopholes in current Indiana law** that cause tax increases for other Hoosiers.

The House also passed a plan to **establish a comprehensive highway construction program that would have created thousands of jobs and poured millions of dollars into the state's economy**. The plan would have used GARVEE bonds, which are paid back through future federal highway revenues, to create almost 40,000 high-wage jobs. The Indiana Senate refused to give the bill a hearing, but I will continue to push for new ways to improve our economy.

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